



COUNCIL WORK PLAN FOR CULTURE 2011-2014
Priority B – Cultural and Creative Industries (CCIs)
Topic N° 2: CCI export and internationalisation support strategies

Working group of Member States experts (OMC)

MINUTES OF THE 2ND MEETING, 26-27 FEBRUARY 2013

SUMMARY

Second meeting of the working group set up to implement the Council Work Plan for Culture 2011-2014¹ prepared on the basis of the European Agenda for Culture². The meeting included some national and regional presentations of strategies / approaches to support CCIs export and internationalisation. It allowed sketching a preliminary roadmap for the future work of the group.

23 countries were present (BE, BG, CZ, DE, EE, IE, EL, ES, FR, IT, CY, LV, LT, HU, NL, AT, PL, PT, SI, SK, FI, SE, UK).

In the context of the ongoing evaluation of the Open Method of Coordination in the field of culture, a representative of the company Ecorys – the external contractor in charge of the evaluation – participated in the first day of the meeting as an observer and arranged interviews with some members of the group.

Tasks for members:

Ahead of the next meeting, members were invited to:

- Research information on the available financial measures in support to CCI exports in their respective country.
- Establish contacts with people in charge of exports in their respective country in order to inform them about the work of the OMC group and gather views/expectations from their side.

Next meeting:

The next meeting will take place on **23-24 April 2013 in Riga, Latvia.**

¹ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2010:325:0001:0009:EN:PDF>

² <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2007:0242:FIN:EN:PDF>

DETAILS

This was the second meeting of the working group. It was co-chaired by Kimmo Aulake (FI) and Ragnar Siil (EE). The meeting included some national and regional presentations of strategies/approaches to support CCIs export and internationalisation. All the presentations that were made at the meeting were sent by separate email on 4 March.

1. Presentation "Cluster policy and cooperation in relation to creative industries"

Ms H el ene-Diane Dage from the European Commission's Directorate General Enterprise and Industry presented DG ENTR cluster policy in relation to the CCIs. Ms Dage insisted in particular on the importance of enhancing cross-sectoral fertilization and on the support role that clusters can play in this perspective. She also underlined the creative potential of CCIs as an essential factor to boost European competitiveness both within and outside Europe.

2. Presentation of national practices:

i) The Finnish Cultural Export Promotion Programme

Kimmo Aulake presented the Finnish experience with the cultural export promotion programme. This programme does not include specific sectoral or geographic priorities as it was designed as an open approach to cater for the needs of all creative sectors in the country. Based on the Finnish experience, the following were identified as key elements for successful exports: packaging; marketing; networking and branding. Three main lessons could be learnt from this experience: 1) the vast majority of producers of cultural and creative content is composed of small and micro enterprises, which have a weak negotiating position when trying to go international; 2) due to this fact, there is a need to support the development of a higher number of professional intermediaries, who could support small CCIs; 3) there is also a need to better value immaterial rights (i.e. copyright and related rights) and most importantly help producers retain those rights given their importance as a source of revenue. The Finnish Programme is also a good example of cooperation across different Ministries, although further improvement could still be possible.

More information about the Finnish Cultural Export Promotion Programme can be found in the Finnish reply to the initial questionnaire for the OMC group members, which was distributed together with all the other replies ahead of the meeting. Further details are also available in the final report on the programme available at: http://www.minedu.fi/OPM/Julkaisut/2011/Kulttuurivienti_nakyy_uudistaa_ja_vaikuttaa.html?lang=en&extra_locale=en

ii) The Spanish Support Plan for the Internationalization of Cultural Industries

Faustino Diaz presented the Spanish Support Plan for the Internationalization of Cultural Industries.

According to the Spanish experience, and due to the effects of the economic crisis in terms of shrinking public budgets as well as to the expansion of online sales, there is a

need to look for innovative approaches to exports (e.g. new challenge of digital exports), new business models as well as seek more public-private collaborations.

One of the common points that emerged from the first-day presentations was the emphasis on the small-size of CCIs. The group was invited to reflect on whether this specificity should only be considered as a weakness or how it could be turned into an advantage. It was noted that small companies can be more flexible and adaptable to rapid changes, especially in sectors that are subject to rapid evolutions. At the same time, cooperation and mutual support between big and small companies could be encouraged as this may lead to win-win situations (as illustrated by the Spanish example of “Mesa de la Moda”).

It was also noted that cultural exports should be considered as part of a bigger picture and not as an isolated activity. Several competences are needed to develop successful cultural exports including: the ability to convince and vision; the ability to recognize and support existing talent and resources; the importance of cross-sector/cross-department coordination; the ability to explain.

iii) Swedish Handbook “To Do: Development of Cultural and Creative Industries in Practice”

Johanna Skantze (Generator Sverige) and Anna Linton (Creative Destination Halland) presented the handbook for the development of cultural and creative industries. They underlined that the handbook also places a strong emphasis on the importance of cross-sectoral cooperation as a basis for innovation. Copies of the handbook were distributed at the meeting. It is also available online at: <http://www.alexandersoninstitutet.se/publicerat/todo/en-GB/>

The presentation was also an occasion to outline two examples of export promotion initiatives in Sweden:

1) The CCIs export promotion programme (2012-2013): initiated by the Swedish Ministry of Commerce, this programme focuses on 5 sectors, which were selected on the basis of their export potential and brand building value, namely: food, fashion, music, literature and film. Each sector is in special focus for a given month, in connection with other major events related to that industry. The initiative has proved successful in encouraging cooperation between industries and the government. Moreover, the sectors have benefited from the focus that has been placed on them as well as from the Minister’s presence in certain activities.

2) The Swedish Affair: an initiative undertaken in connection with the Electronic Entertainment Expo in Los Angeles, in order to introduce Swedish creative companies and individuals on the US market, facilitate contacts and ultimately increase business opportunities between the two countries. The success factors of this initiative, which will be repeated again this year, included: a strong collaboration among different creative sectors as well as with a local partner (the Swedish-American Chamber of Commerce) who knew the local market well; the involvement of different Swedish partners (regional partnerships); the connection with an existing event; the development of the initiative on the basis of the real needs of the

companies; the exclusivity of the initiative, which was accessible upon invitation only.

The presentation also highlighted the following elements as pre-conditions for successful export/internationalisation of CCIs:

- Need to open up and modernise the current infrastructure;
- Need to consider CCIs in all their differences and not simply as a single block;
- Need for innovative business models, to complement traditional methods and support creators through approaches that are more appealing to them;
- Need to find new funding ways, for instance by raising awareness among private investors, in order to address the issue of access to finance which is a major barrier to internationalisation;
- Need to support professional networking and matchmaking, also at European level;
- Need to facilitate access to information about rules and regulations related to exports.

Finally, the speakers referred to the idea of developing a European handbook on internationalisation as a next step. It was recalled that the purpose of the OMC group is to produce a good practice manual on this theme. The importance of ensuring synergies between the work of the group and this new initiative was underlined.

3. Presentation of multilateral/regional practice: The Nordic Music Export Programme (NOMEX)

Anna Hildur Hildibrandsdóttir presented the experience and initiatives undertaken by the Nordic Music Export Programme (NOMEX). The presentation is accessible at: http://prezi.com/rkzzu9v_8scb/nomex/

Nomex brings together the 5 export offices of Sweden, Finland, Denmark, Iceland and Norway. Building on the similarities that exist in the region, Nomex aims at supporting the development and growth of the Nordic music industry through a common regional strategy to the benefit of the Nordic market. The Programme includes three focus areas: strengthening the intra-Nordic market; taking Nomex projects beyond the Nordic region; providing support services, such as capacity-building and policy-making consultancy.

The presentation emphasized the strong social and economic impact of cultural events, such as music festivals, in addition to their cultural value. It also underlined the impact of digital media on the music industry and the need to adapt to a changing demand. Similarly to previous presentations, the importance of cross-sector collaboration was highlighted also in this case, as illustrated, for instance, by the “Travel Incentive” project by Nomex, which aims at strengthening cooperation with the tourism and travel industry.

The added value of Nomex lies in the fact that its projects complement and support the activities of national export offices. At the same time, the Nordic approach enables to secure more quality content and a wider offer as well as a more effective presence on big foreign markets (e.g. Asia) where there is more added value in being present as a Nordic region rather than as small individual countries.

Along these lines, it was noted that cooperation with respect to CCIs could also be further developed at EU level provided that this was based on a bottom-up demand. Building on the commonalities that exist across Europe, working together could be a more effective approach for instance to address big foreign markets. The issues related to the difficulties and high-costs of artists' visas to the US were mentioned as another example of how greater cooperation at EU level could help in practical terms. Finally, facilitating exchanges and peer-learning was also referred to as a useful tool to improve cultural management.

4. Proposed structure for analysing internationalisation and export activities and exchange of views

The chairs presented a draft roadmap for the upcoming work of the group and invited the group to comment on this proposal. The following comments were gathered:

- Better integrate the dimension of cross-sectoral fertilization in the structure;
- Add a European level into the proposed structure (where there is added value to address common issues)
- Develop the structure as a linear model where the ultimate aim is “successful export and internationalisation”. In this perspective, cultural cooperation and country promotion should not appear as different levels of export development but rather as tools to achieve the ultimate goal.

The following clarifications were also provided:

- Geographic focus: as discussed at the first meeting, it was recalled that the group would consider any useful aspects related to exports and internationalisation both within and outside the EU while paying attention to identifying differences between the two dimensions whenever relevant.
- Sectoral focus: all cultural and creative sectors would be covered, not only the “product/service-producing” ones, but also those with more intangible outputs, such as know-how.
- Economic vs cultural goals: the group should look at both aspects when considering the export of CCIs.
- Cultural exchange/cooperation and cultural promotion: the group should consider how these activities can be used more effectively to support the export of CCIs.

Further to the exchange of views within the group the proposed roadmap has been revised and the new version is attached (*Annex 3*).

5. Exchange of views in small groups

The group subsequently divided into small groups to discuss the roadmap more in detail and in particular look at questions 2-4. The main messages emerging from the groups' discussions can be summarised as follows:

Q. 2 At which stage and how does export and internationalisation of CCIs differ from other sectors?

- Small **size** of CCIs. Micro-level export.
- Differences in **products**: CCIs' products are often intangible, unique and diverse (not mass-producible). A different approach to export and internationalisation is therefore required.
- **Different approach**: CCIs activities are more periodic and project-based; their main focus is often more on the creation of cultural value than of economic returns, hence export may not be their main concern.
- Importance of **IP**, notably **copyright**.
- **Diversity and distinction** is a specific feature of CCIs and creative people and it needs to be recognized as such. Importance and value of individual talent and image. For this reason, single models and collective methods are difficult to apply.
- **Differences among CCI sub-sectors** need to be taken into account: It is not possible to talk about a single CCI sector. This is more of a political construction for the time being. Moreover different sub-sectors have different starting points, and some may be more inclined to exporting than others. Cooperation between sub-sectors may be difficult because of these differences.
- CCIs are more subject to **selection** when going internationally than other sectors: need to select what will be shown, focus on "the best of..."
- CCIs exports are more **image-sensitive** and require more communication /marketing efforts.

Q.3 Main problems, weaknesses or bottlenecks

Pre-conditions/infrastructure

- **IP regulation**: the IP frameworks are governed at country level and are not necessarily harmonised.
- **Obstacles to Mobility**: costs and heavy procedures for obtaining visas can be a barrier to exports.

- **Skills and education:** in many countries, the education system does not pay enough attention to business education and internationalisation; need for a more multidisciplinary approach and more creative training.

Other levels

- **Access to finance.**
- **Access to intermediary support for international trade** (agents, managers, distributors, lawyers etc.); important aspect alongside training.
- **Access to Information.**
- **Differing routes to market** depending on territories and industries.
- Many countries **lack clear strategies** about what they want to achieve.
- A too strict definition of a country image may turn out to be too restrictive for creators.

Q.4 Critical success factors

- Provide **information** about rules and regulations; important role of **intermediaries**.
- **Exchange of practices** to promote learning from successful models.
- Develop more integrated, **sector-specific, needs-based** plans and approaches; adapted solutions/schemes to the needs of creators (e.g. heavy paper work not suitable for them).
- **Networking** and **cluster** development within and between sub-sectors and sectors.
- Generate **motivation** to exporting vs. imposing it on companies.
- **Mentoring, long-term programmes.**
- **Co-operation and co-production** between promotion agencies on international level.
- **Smart specialisation:** focus on small number of genuine strengths and opportunities; ensure these are clearly articulated to the outside world.
- **Neutrality and objectivity** when selecting what to promote internationally.
- Consider full range of potential **partners** and stakeholders.
- Plan **culturally-sensitive** exchanges and cooperation activities involving the right people and based on the right methods.

- Leverage more the argument related to **CCIs contribution to company and job creation.**

5. Next meeting and next steps

The third official meeting of the group will take place in Riga on 23-24 April 2013. It will last 1.5 days. The meeting will be hosted by the Latvian Ministry of Culture and will take place in connection with the Creativity Week (22-28 April), which will also include some events related to CCI exports. [*In the meantime, additional information about the practicalities and logistics of the meeting as well as about additional optional activities for the OMC group members was provided by email on 15 March 2013.*]

The group was also informed about two additional proposals for possible informal meetings in June. The first one might be on 6-7 June, in connection with the Biz show in Barcelona and may also become an occasion for a joint meeting with the European Alliance Platform. The second one concerns the Irish Presidency conference on SMEs (Dublin, 10-12 June). The group agreed to wait for additional information about these two events before making a final decision.

Ahead of the next meeting, members were invited to:

- Research information on the available financial measures in support to CCI exports in their respective country.
- Establish contacts with people in charge of exports in their respective country in order to inform them about the work of the OMC group and gather views/expectations from their side. The proposed roadmap and questions could serve as basis for this exchange of views.

6. Annexes

Annex 1 – Agenda of the meeting

Annex 2 – List of participants

Annex 3 – Revised roadmap for the future work of the group